

MINUTES OF THE SPECIAL REGULAR MEETING
OF THE SPRINGFIELD CITY COUNCIL HELD
MONDAY, MARCH 8, 2004

Minutes of the Special Regular Meeting of the Springfield City Council held on Monday, March 8, 2004, at 6 p.m. in the Springfield Council Chambers

ATTENDANCE

Present were Mayor Sid Leiken, Anne Ballew, Tammy Fitch, Dave Ralston, Christine Lundberg, John Woodrow.

ABSENT: None.

STAFF: City Manager Mike Kelly, Assistant City Manager Cynthia Pappas, Planning Director Greg Mott, Fire Chief Dennis Murphy, Transportation Manager Nick Arnis, Transportation Planning Engineer Gary McKenney, Assistant City Attorney Meg Kieran, City Planner Colin Stephens, Civil Engineer Ken Vogeney, Fire Marshal Al Girard, and City Planner Linda Pauly.

CALL TO ORDER

Mayor Sid Leiken called the meeting of the Springfield City Council to order.

ROLL CALL

Assistant City Manager Cynthia Pappas called the roll.

PLEDGE OF ALLEGIANCE

PUBLIC HEARINGS

1. Request for Master Plan and Zone Change Approval—PeaceHealth

Mayor Leiken noted the earlier work session was Councilor Tim Malloy's last meeting as a City Councilor. He said Mr. Malloy was moving out of the community and would be much missed. Mayor Leiken noted that Mr. Malloy had chaired the Planning Commission and was involved in helping to establish planning policies that would help guide the future of Springfield.

Mayor Leiken reviewed the history of the item before the council and reviewed the order of the proceedings. He noted the council would vote on findings for adoption later in the meeting.

Mayor Leiken opened the public hearing. He requested staff comment from Ms. Kieran about conflict of interest and bias.

Ms. Kieran reminded the council that the Land Use Board of Appeals (LUBA) could reverse or remand a council decision if it found the council's decision was biased as a result of *ex parte* contacts only if the council did not comply with the disclosure requirements in Oregon Revised Statute 227.180. She reviewed the statute.

Ms. Kieran noted the Springfield Development Code's definition of an *ex parte* communication. She said that bias was when a disinterested observer could detect that a decision maker had adjudged the facts of the law of a particular case before testimony facts were heard. Land use decisions must be made fairly; the parties to a land use decision were entitled to an impartial tribunal. Ms. Kieran said the council's decision must be based solely on the evidence in the record.

Mayor Leiken called for conflicts of interest or *ex parte* contacts.

Ms. Lundberg indicated she had discussions with the Contes on more than one occasion to discuss the impact of future roadways on their property.

Ms. Fitch reported that she had heard about discussions between PeaceHealth and an adjacent property owner regarding a possible land sale but she had no knowledge from either party regarding that. Her decision would be based on the record without reliance on any information regarding those discussions and negotiations.

Ms. Ballew, Mr. Ralston, Mr. Woodrow, and Mayor Leiken had no conflicts of interest or *ex parte* contacts to declare

Ms. Kieran reviewed the criteria for a zone change request contained in Springfield Development Code in Article 12.030.

Ms. Kieran reviewed the criteria for master plan approval contained in Section 37.040 of the Springfield Development Code.

Mayor Leiken called for summary testimony from representatives of PeaceHealth.

Alan Yordy, 770 East 11th Avenue, Eugene, chief executive officer of PeaceHealth, thanked the council for undertaking the land use planning process. He thought all parties came away with respect for each other. He thanked City staff. Mr. Yordy noted the large size and scope of the project, which would serve the region for generations to come. Its impact would be substantial. Mr. Yordy believed for that reason, the length and complexity of the process were deserved.

Mr. Yordy spoke of the many opportunities presented by the RiverBend campus, saying it would enable the hospital to accomplish things it could not today. He said that much remained to be done. He looked forward to continued work and cooperation between the hospital and City.

Philip Farrington, 677 East 12th Avenue, Eugene, requested the council's approval of the application. He believed that PeaceHealth had done its homework and worked extensively with staff to ensure the application met the City's development criteria. He cited the many studies that had been done to demonstrate that the impact created by the development could be addressed and

mitigated. In addition, other materials were provided, including computer animation, to give the council and public a better sense of what was proposed.

Mr. Farrington noted the extensive hospital planning process undergone by PeaceHealth and the involvement of patients and caregivers. The hospital was designed to meet the needs of patients and families in a setting that promoted wellness and healing. Mr. Farrington said the hospital had been designed to both meet functional needs and preserving views now enjoyed by local residents.

Mr. Farrington reminded the council that staff and independent third-party reviewers examined the plans to ensure they met the criteria. No evidence was provided by anyone in contradiction to that analysis and to the studies performed by PeaceHealth. The staff analysis resulted in conditions being added to the application that added costs to the project but protected the interests of the public. He cited several of those conditions, including the condition for more extensive landscaping and riparian restoration requirements, obligations for off-site transportation improvements, and public parking for the riverside trail and other off-site trail connections.

Mr. Farrington noted the pending appeal of the plan amendments that facilitated the development proposal and indicated PeaceHealth had submitted evidence demonstrating that its project could meet the new standards for the Transportation Planning Rule established by LUBA.

Mr. Farrington addressed the two conditions that PeaceHealth continued to object to, conditions 11.5 and 29. He asked the council to reconsider the amount of Mixed-Use Commercial (MUC) acreage assigned to the site, reminding members that PeaceHealth had been consistent in its request for 33 acres of MUC zoning and had requested that figure in the plan amendments process on the basis of the master plan. He said the MUC zoning was needed to provide PeaceHealth with the flexibility to respond to future market demands and to support the proposed medical center. He suggested the amount of MUC zoning that PeaceHealth was not a limitation, and the council could choose to initiate amendments that would create more MUC land in the area. PeaceHealth did not oppose that action.

Speaking to Condition 29, which called for PeaceHealth to build a parking garage concurrent with hospital development, Mr. Farrington asked the council to consider that no other parking garage had been built in the area without a public subsidy, and that structured parking was the most expensive type of parking. In addition, there were other options for parking, including aggressive transportation demand management strategies of the type currently employed by PeaceHealth. He suggested the potential there may not be sufficient demand for the structure at the time the condition stipulated its construction. The condition would require the structure to be built even if the demand did not exist. Mr. Farrington said the master plan includes a parking structure, but PeaceHealth wanted to be able to choose the optimum time to build it. He asked that the council delete the condition or replace it with an option staff would discuss later in the meeting.

Mr. Farrington said the hospital would be designed to complement the riverfront setting and to conserve and enhance the natural resources on the site. He envisioned a mixture of uses, including a variety of housing types and commercial services. He said the new medical center would create economic opportunities for Springfield and the region. Approval of the project would help PeaceHealth meet current and future demands for healthcare services, which would increase dramatically with new medical advances and the aging baby boomer generation. He urged the council to approve the master plan.

Mayor Leiken called for summation by staff.

Mr. Stephens summarized the item before the council, noting the Planning Commission's vote of January 13, 2004, recommending approval of the master plan application with conditions, and the council's subsequent work sessions on the topic on January 5 and January 20. At the public hearing on January 20, the council heard about several unresolved issues regarding the conditions of approval that had yet to be resolved. He said that meeting packet included several memorandum addressing those issues (*Memorandum 1: RiverBend Master Plan MUC Zoning Allocation, Condition 11.5; Memorandum 2: Gateway MDR Site Nodal Overlay Project, Master Plan Condition 12; Memorandum 3: Planning Commission RiverBend Master Plan Condition 13; Memorandum 4: RiverBend Master Plan Roadway Extensions, Conditions 34 and 35; Memorandum 5: RiverBend Master Plan—Condition 46, Bus Rapid Transit; and Memorandum 6: Recommended Revisions to PeaceHealth Master Plan Recommended Conditions of Approval 74 and 79 Concerning Stormwater Management*). He noted the PeaceHealth had withdrawn its opposition to several of the conditions.

Condition 11.5

Mr. Stephens said the Planning Commission had included the condition to provide for additional commercial opportunities at the Gateway Medium-Density Residential (MDR) site. He had included several options for the council to consider if it wished to deviate from the recommendation. He reviewed the options, which were to accept the commission's recommendation, approve the application as proposed, or to zone approximately 4.5 acres proposed by PeaceHealth for MUC to Medical Services zoning. Mr. Stephens reminded the council that Policy 1 of the Gateway Refinement Plan amendment stipulated up to 33 acres of commercial zoning must be available if a master plan application was made prior to the City's implementation of nodal development. That must be addressed in the application.

Mr. Stephens said an analysis of the record suggested the two MUC structures PeaceHealth proposed to construct on McKenzie Way was about half of what was recommended in several studies for retail uses (between 5,300 and 105,500 square feet). To maximize the retail component of nodal development, he recommended that 4.5 acres of MUC zoning be preserved from the 33 acres being requested. Mr. Stephens recommended that proposed Lot 5.2 be rezoned MS rather than MUC; proposed Lot 1.1, 1.2, and 2.1 be zoned MS rather than MUC.

Condition 12

Mr. Stephens noted that PeaceHealth had withdrawn its opposition to the condition and recommended it be included as a condition of approval.

Condition 29

Mr. Stephens described what PeaceHealth proposed to construct in Phase 1, and said PeaceHealth proposed to use only surface parking to meet minimum parking requirements. If that was allowed, staff had prepared a second option stating that upon the completion of either the North Medical Office Building or Building C, the parking structure would need to be operational. Both facilities would supplant surface parking and create a demand for more parking. Option 2 included text that allowed PeaceHealth to prove at the time of site planning review that it could use parking in other locations to meet demand and bus employees to the site without creating

additional parking demand. The parking structure would then be delayed until the need was demonstrated.

Condition 34 and 35

Mr. Stephens said after several meetings between staff and the applicant, and taking into account testimony received from residents of the area, Condition 34 was rewritten to require that the alignment of RiverBend Drive be depicted in the master plan as extending northward toward the intersection of Deadmond Ferry Road and International Way in the area within the city limits, and that McKenzie Way continue to be depicted east and west. Condition 35 was rewritten to delay the construction of RiverBend Drive from the north limits of the PeaceHealth property to the intersection until the City demonstrated a public need.

Condition 46

Mr. Stephens said that since the last meeting, all parties had agreed that the Bus Rapid Transit alignment should be in the median, and the condition was rewritten to reflect that.

Condition 55a

Mr. Stephens said staff recommended the condition be removed from the land use application and be addressed in a separate memorandum of agreement.

Condition 74 and 78

Mr. Stephens noted an error in the agenda item summary, which misstated the condition numbers. He reported that an issue related to off-site storm drainage capacity had come up after the close of the record before the Planning Commission, and deferred to Mr. Vogeney for further comment at this time. Mr. Vogeney provided background on the item, reporting that previously, staff believed there was adequate capacity in the system and had stated so in the findings adopted by the commission. Condition 74 required the applicant to analyze the proportionate share of stormwater on its site. Subsequently, PeaceHealth's consultants learned that the capacity was less than believed and was not sufficient. Subsequent evaluation of possible options was done collaboratively with PeaceHealth, and developed a package of options to resolve the problem.

Mr. Vogeney used a map of the vicinity to point out the area in question and the elements of the system in place now. He said Memorandum 6 discussed how to provide that additional on-site capacity and how to connect part of the property into the existing system. He said the conditions had been revised and staff had developed findings to replace the findings associated with the conditions in question.

Mr. Woodrow asked if areas labeled 1, 2, and 3 on the map represented existing rights-of-way. Mr. Vogeney said alignment 2 would follow either within or along the Game Farm Road alignment; alignments 1 or 3 would require the City to purchase easements to provide for the routes.

Responding to a question from Ms. Ballew asked about the additional outfall to the McKenzie River being proposed, Mr. Vogeney clarified PeaceHealth suggested, and staff agreed, to construct a new drainageway that would discharge into a new outfall either into the McKenzie River or into an existing City-owned stormwater pond and outfall. Either option would work.

Mr. Vogeney confirmed that a new outfall to the river would require a new permit from the Army Corps of Engineers and other regulatory agencies.

Mr. Stephens recommended the council direct staff to prepare ordinances approving the master plan and zone change applications with the conditions as recommended by the Planning Commission and changes as suggested by staff at this meeting, and to provide staff with direction on options for conditions 11.5 and 29. He invited questions.

Ms. Ballew determined from Mr. Stephens that if the council chose Option 3 for Condition 11.5, the site would contain 28.5 acres of MUC zoning and 4.9 additional MS acres for a total of 99 acres of combined MUC/MS zoning.

Mr. Ralston referred to conditions 34 and 35, and asked if any of the road extensions affected property owners who objected to the roadway. Mr. Stephens said that in the process of determining where the road would go, various alternatives would be considered. It would be very difficult to construct the road through without using public property, and there would be a method to obtain the property when needed. Mr. Ralston asked if it was possible to construct the roads without affecting the residents. Ms. Kieran said there were a number of options, including improvements to Baldy View Lane as a connector to the Deadmond Ferry intersection. However, staff would be speculating on the exact alignment of that connection at this time. There was clearly a desire on the part of the City to connect the southern portion of the site with Deadmond Ferry Road.

Mr. Stephens said that examination of the alignment of Baldy View Lane indicated that, given the location of RiverBend Drive to the west, it would be difficult to create a good connection using the Baldy View intersection.

Mayor Leiken confirmed with Mr. Stephens that the decision about the road was a future council decision and not authorized by this action.

Ms. Lundberg said the roadway questioned affected residents' lives and plans. She requested more information about the process involved. She asked what "when needed" meant. Mr. Arnis anticipated the process would be similar to the Northlake process; the property owners would be asked to participate on a steering committee to examine various options, costs, and possible mitigation approaches. He emphasized the City's interest in reaching consensus, and assured Ms. Lundberg that the City did not take such matters lightly. Ms. Lundberg asked if the process would occur sooner rather than later so people had more ability to make decisions about the future. However, she understood that "when needed" might mean "never."

City Manager Mike Kelly said the council could direct staff to embark on any public process it wanted at any time. He said the current owners live there by choice and they value their livability. The hospital would not open until 2007, and the connection was not needed in Phase 1 of the development. It would be needed when the residential portion of the property was developed. He said there was the possibility that between now and 2010, when the roadway was needed, the affected properties would be repurchased, annexed to the city, and rezoned, and the future owners could have a different idea about the future alignment than current owners do. Mr. Kelly said the current residents could be consulted now about their preference or the City could wait until more development occurred and work with the owners in place at that time when the road was needed.

Ms. Lundberg asked if the staff could prepare information about what could trigger the road to be constructed to give the public a sense of what “when needed” might mean. Mr. Arnis said that finding a trip or volume trigger was difficult. The road issue was more of a land use issue; the area in question was likely going to develop and would also likely require another transportation study after the hospital began operations and the system was up and running. He suggested that tying a comprehensive traffic to a specific year might be the best way to approach the issue at this time.

Ms. Fitch expressed appreciation for the staff work and the way staff watched out for the public’s interests as it reviewed the application. Regarding Condition 11.5, she thought Option 3 was a good compromise for the MUC zoning. Speaking to Condition 29, Ms. Fitch endorsed Option 2 as she thought it made sense not to build the structured parking until it was needed.

Mr. Ralston asked what happened to the master plan application if the LUBA decision regarding the Gateway Refinement Plan amendments was unfavorable. Mr. Stephens said staff would not return with the necessary ordinances implementing the council’s direction until the legal process was exhausted.

Ms. Fitch, seconded by Ms. Ballew, moved to instruct staff to prepare ordinances and supplemental findings tentatively approving master plan application LRP 2003-0013, and approving zone change application ZON 2003-0019, with the conditions of approval recommended by the Planning Commission, including changes and recommendations as directed by staff tonight, including Option 3 (council packet page 1-4) and Option 2 (council packet page 3-2). A council regular session shall be scheduled to allow the council to adopt the findings. The motion passed, 4:1; Mr. Ralston voted no.

Mr. Stephens reported that oral arguments before the Court of Appeals were scheduled for March 16, 2004. As soon as the court rendered its decision, he would schedule a session for the council to take action on the ordinances.

At the request of Mayor Leiken, Ms. Kieran reviewed the time line for the City’s appeal of the LUBA decision, estimating a final decision was likely to be handed down in April or May 2004.

Ms. Kieran reported that on March 5, 2004, LUBA issued a decision on an appeal to the City’s issuance of a land and drainage alteration permit and a floodplain overlay permit for the PeaceHealth property. LUBA ruled assumed jurisdiction of the land and drainage alteration and floodplain permits and remanded them back to the City. The City Council’s motion amending the annexation agreement had been referred by LUBA to the Lane County Circuit Court. She noted that in its decision, LUBA was not clear as to whether the plan amendments under appeal are effective. Legal staff had discussed that issue at length as the statute governing the issue was unclear. Staff would meet soon to determine how to follow up on the remand.

ADJOURNMENT

Mayor Leiken adjourned the Special Meeting at 8:05 p.m.

Minutes Recorder – Kim Young

Sidney W. Leiken
Mayor

Attest:

Amy Sowa
City Recorder